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## Labor & Workforce Development Committee

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### HB 1462

**Brief Description:** Creating a good faith defense for certain minimum wage and overtime compensation complaints.

**Sponsors:** Representatives Manweller and Condotta.

#### Brief Summary of Bill

- Limits the liability of an employer for failing to pay minimum wages or overtime compensation when the employer acted in good faith and in conformity with a rule, policy, or practice of the Department of Labor and Industries.

**Hearing Date:** 2/13/13

**Staff:** Alexa Silver (786-7190).

#### Background:

Washington law establishes a state minimum wage rate, overtime compensation requirements, and various other minimum wage standards. These standards are enforced by the Department of Labor and Industries (Department), which has authority to investigate wage violations, order the payment of wages owed to workers, and bring civil actions to collect wages. Employees are also permitted to bring civil actions to collect unpaid wages. Criminal penalties apply to certain violations.

#### Summary of Bill:

An employer is not subject to liability or punishment for failing to pay minimum wages or overtime compensation if the employer proves that the employer acted in good faith conformity with and reliance on:

- a rule related to any wage payment requirement;

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- a written order, ruling, approval, opinion, advice, determination, or interpretation of the Director of the Department; or
- an interpretive or administrative policy issued by the Department.

This defense bars an action even if the order, ruling, approval, opinion, advice, determination, or interpretation or the interpretive or administrative policy of the Department that the employer relied on is modified or rescinded or is determined by a judicial authority to be invalid.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.